

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 145 - SB 170**

February 7, 2023

**SUMMARY OF BILL:** Requires all fees collected by the Secretary of State (SOS) under the Division of Charitable Solicitations and Gaming to remain at \$10 during FY23-24. Requires any charitable organization, other than a religious institution, that received contributions over \$25,000 for a purpose related to a disaster and that does not expend all contributions within two years to file a report with the SOS and Attorney General and Reporter (AG) detailing the timing and placement for the remaining funds.

**FISCAL IMPACT:**

**Decrease State Revenue –**

**\$1,969,500/FY23-24/Division of Charitable Solicitations and Gaming**

**Assumptions:**

- The Division of Charitable Solicitations and Gaming charges fees for registrations of charitable organizations, professional solicitors, and annual gaming events; late fees are charged for untimely registration applications and gaming event financial statements.
- For FY21-22, all fees charged by the SOS under the Charitable Solicitations and Gaming Act were reduced to \$10, pursuant to Public Chapter 295 of 2021, which was extended to FY22-23 pursuant to Public Chapter 867 of 2022. The proposed legislation would again extend the fee reduction for one additional fiscal year.
- The estimated decrease in state revenue to the SOS in FY23-24 is \$1,969,511. Individual registrations, related fees, and number of registrations are based on information provided by the SOS in the table below.
- According to information provided by the SOS, the one-time reduction will be absorbed by existing funds available for use under the Division of Business and Charitable Organizations.

	<b>Projected FY23-24 Filing Count</b>	<b>FY20-21 Fee/Range</b>	<b>Revenue Using FY20-21 Fees</b>	<b>Proposed FY23-24 Fee</b>	<b>Projected FY23-24 Revenue</b>	<b>Estimated Revenue Loss in FY23-24</b>
<b>Charities Registration/Renewal</b>	11,485	\$50-\$240	\$1,979,135	\$10	\$114,850	\$1,864,285
<b>Professional Solicitor Registrations</b>	71	\$250	\$17,750	\$10	\$710	\$17,040
<b>Registration Late Fees</b>	2,300	\$25	\$57,500	\$10	\$23,000	\$34,500
<b>Gaming Event Applications</b>	220	\$150-\$600	\$54,686	\$10	\$2,200	\$52,486
<b>Gaming Event Late Fees</b>	80	\$25	\$2,000	\$10	\$800	\$1,200
<b>Total Estimated Loss in Revenue:</b>						<b><u>\$1,969,511</u></b>

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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